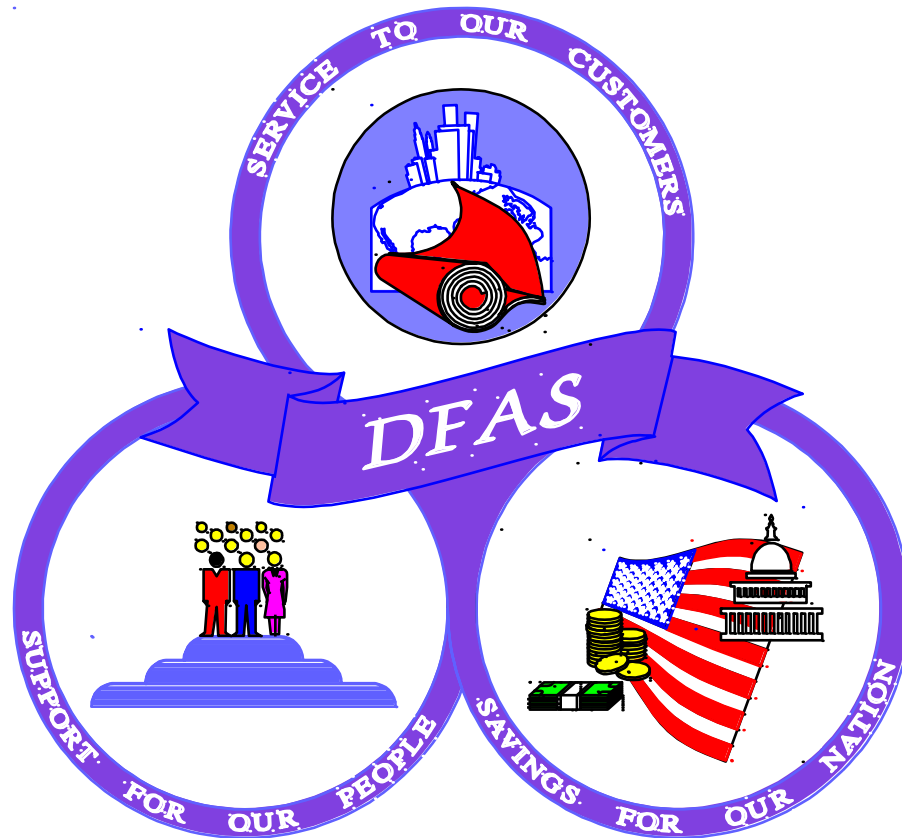


# DFAS Service Day

## ASMC PDI - 2000



Philadelphia, Pennsylvania

# **DFAS Budget and Performance Measures**

Susan Grant



# The DFAS Corporation

**Assets, Liabilities, Net Position**

**Total Assets = \$1,061.1 Million**

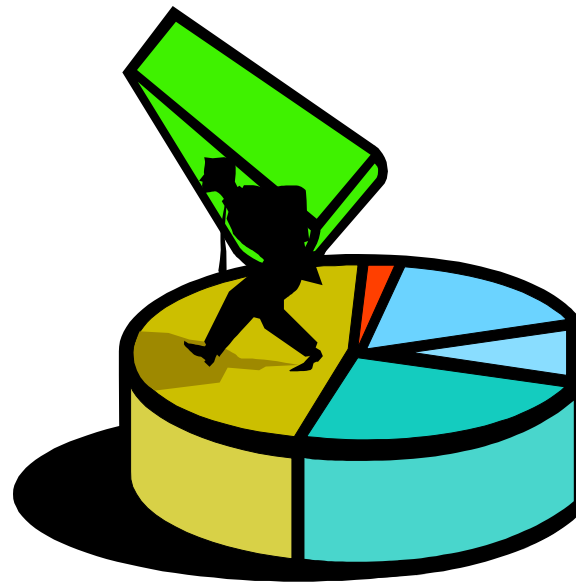
**Total Liabilities = \$419.3 Million**

**Total Net Position = \$641.8 Million**

**Annual Revenue**  
**\$1,670.5 Million**

**Capital Budget**  
**\$218.3 Million**

**Our People**  
**18,309 Civilians**  
**1,519 Military**  
**19,828 Total**



**Cost of Operations**  
**\$1,668.2 Million**

**Operates as a Working Capital Fund**

**Rates and Prices**

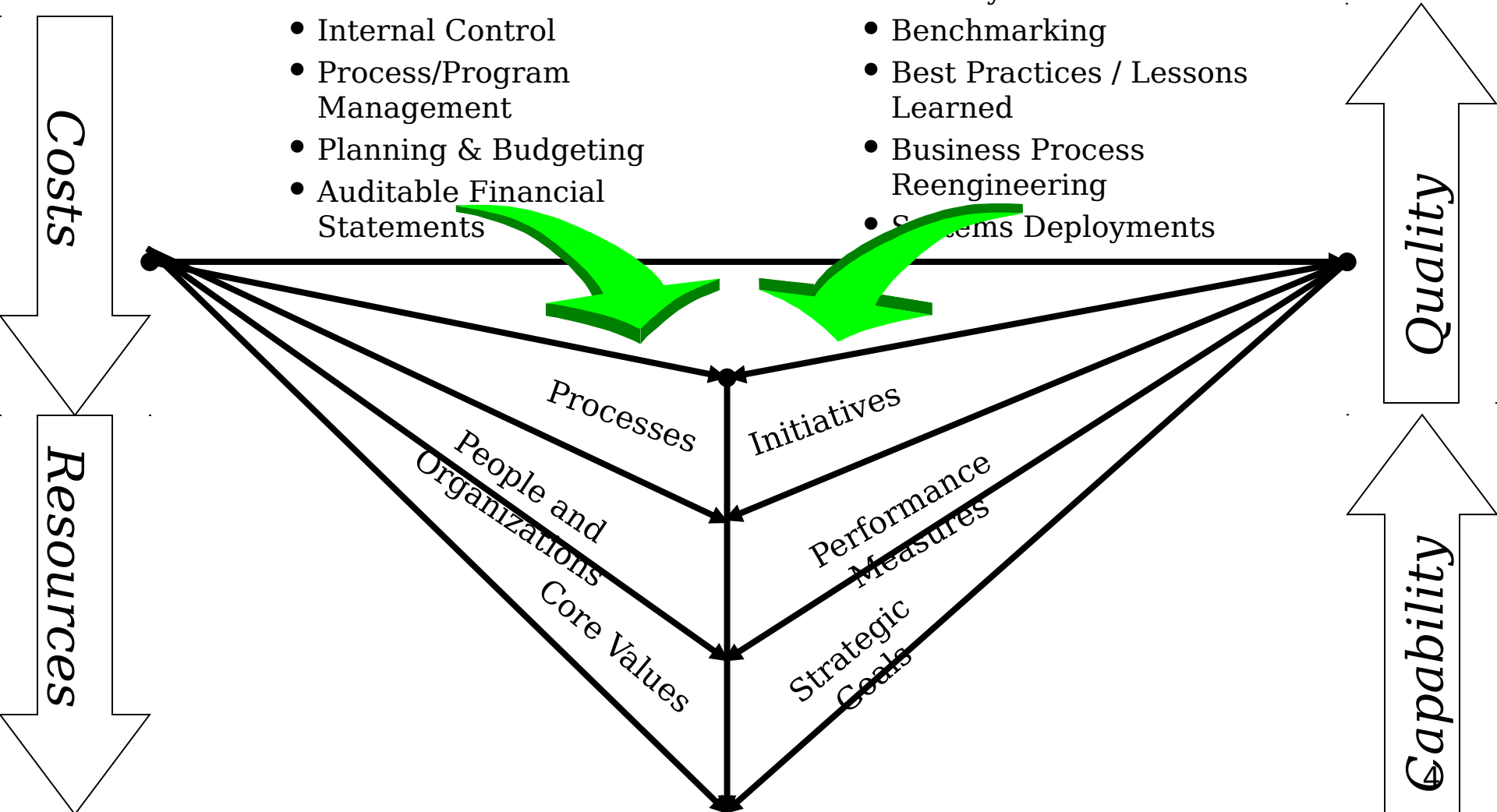
**Products and Services**

**Customers and Providers**



# Management Strategies

- Performance Contract
- DFAS-Customer Relations
- Internal Control
- Process/Program Management
- Planning & Budgeting
- Auditable Financial Statements
- A-76 Studies
- Activity Based Cost Studies
- Benchmarking
- Best Practices / Lessons Learned
- Business Process Reengineering
- Systems Deployments





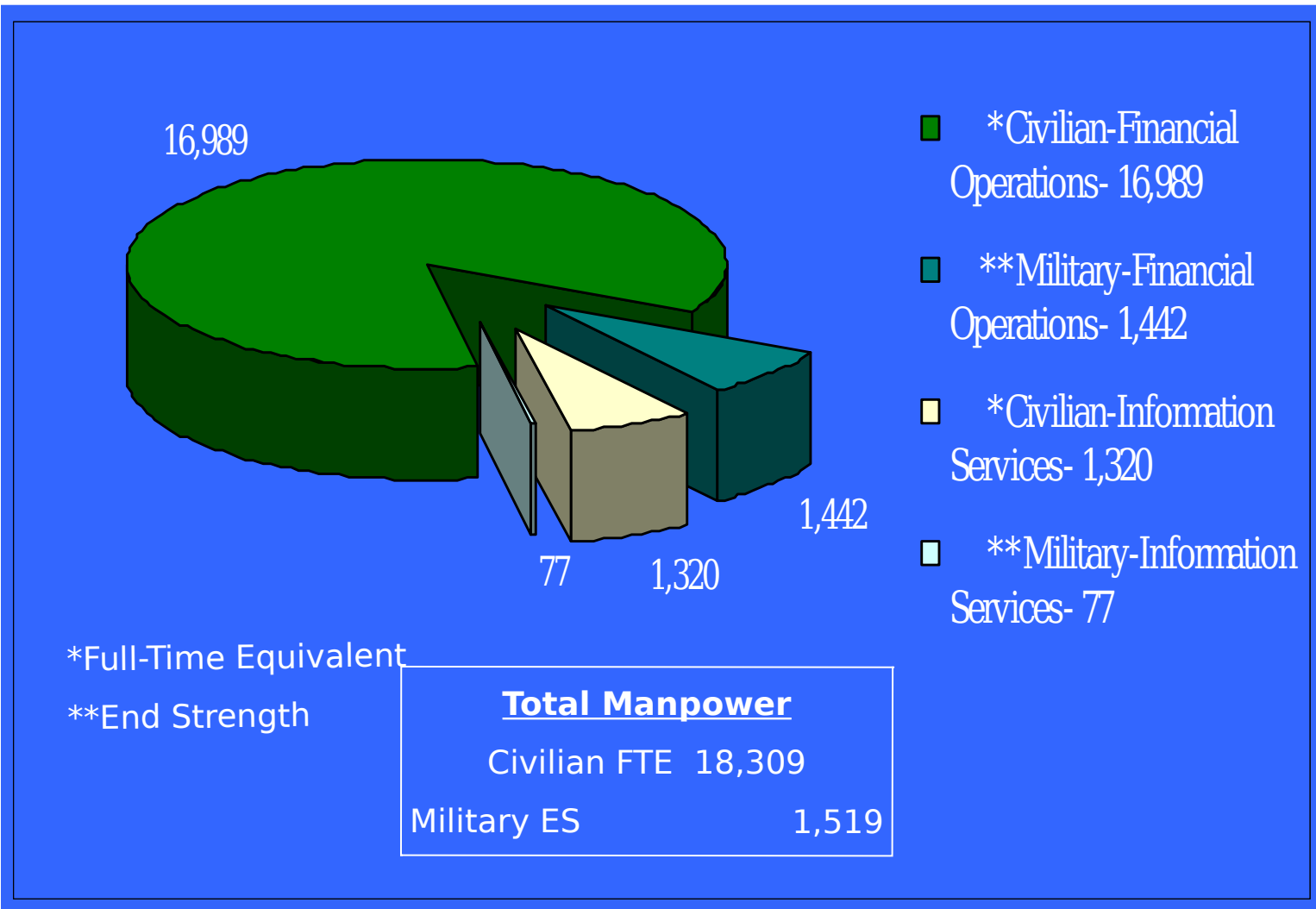
# DFAS Budget Profile

(\$ in Millions)

	FY 1999	FY 2000	FY 2001
<b>DWCF</b>			
Operating Budget			
Financial Operations	1621.7	1662.3	1599.4
Information Services	221.9	225.9	207.3
Capital Investments	217.1	218.3	195.1
<b>O&amp;M</b>	95.5	41.0	16.7
Budget Activity #3	26.8	17.0	15.3
Budget Activity #4	68.7	24.0	1.4
<b>MILCON</b>	1.5	1.5	9.0



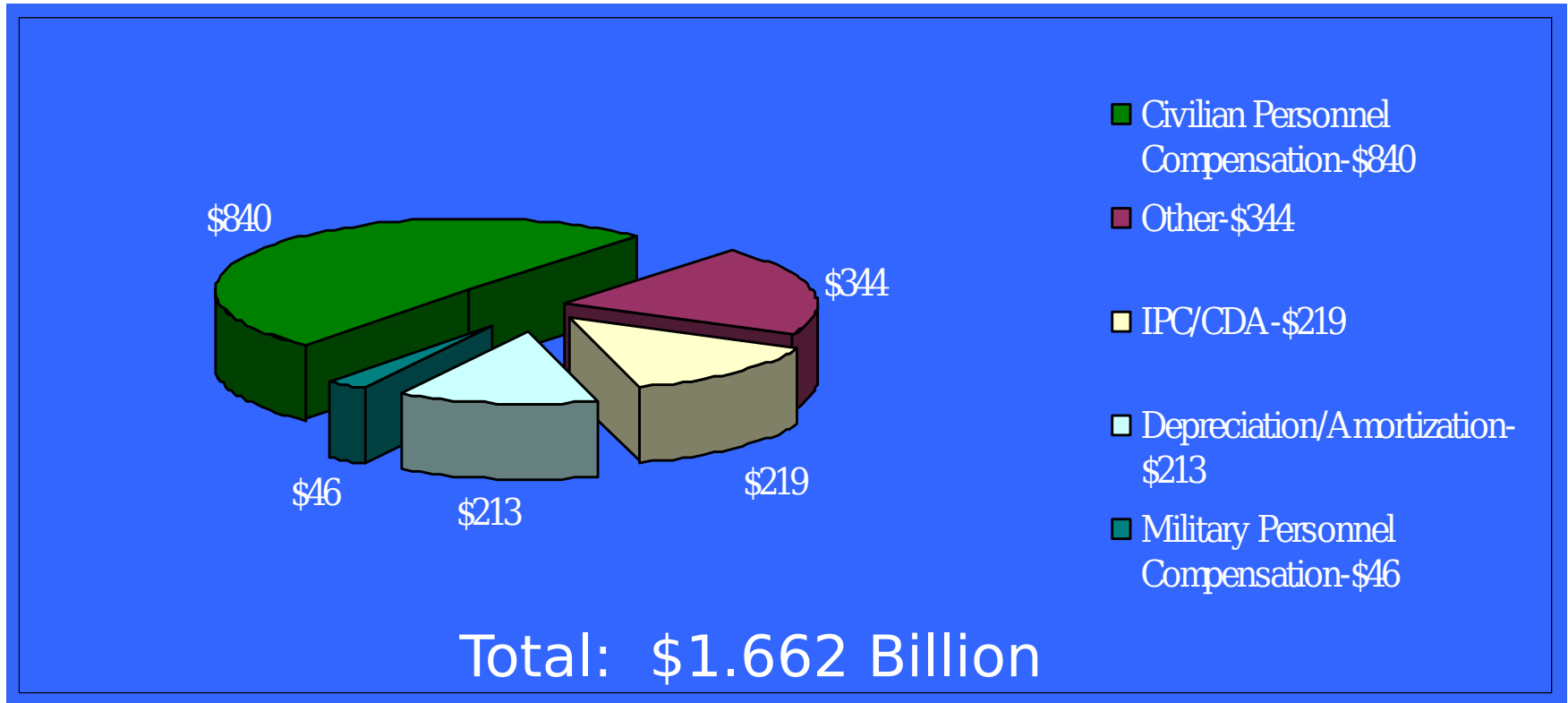
# FY 2000 DFAS Manpower Levels





# FY 2000 Financial Operations Cost

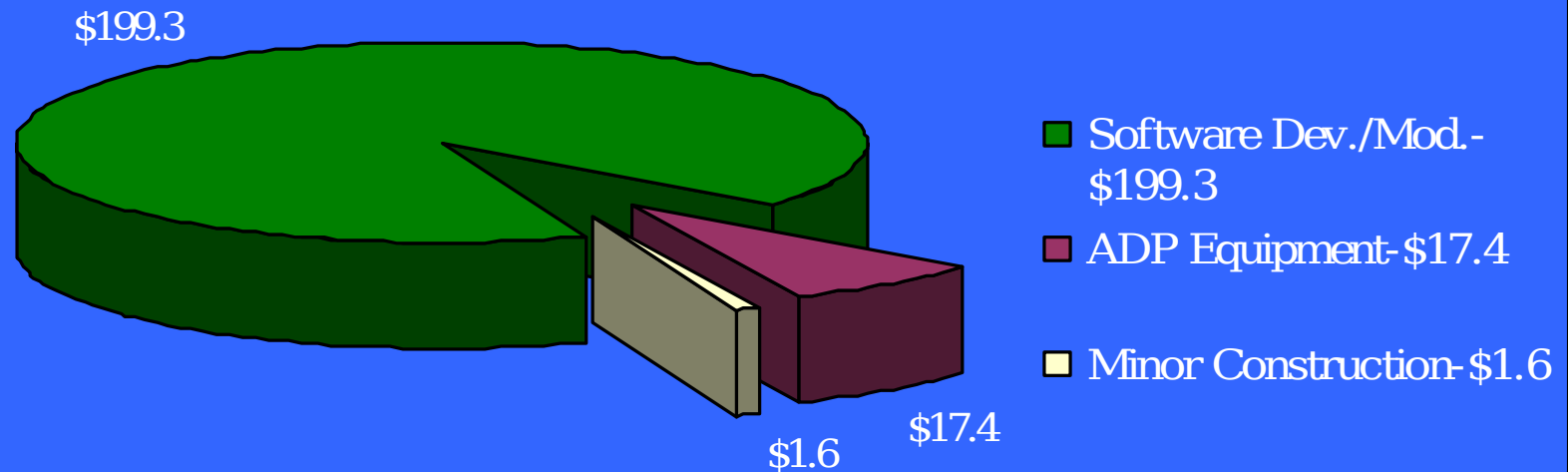
(\$ in Millions)





# FY 2000 Capital Investment

(\$ in Millions)



Total Capital Authority: \$218.3 Million





# DFAS Rates and Costs

## Products and

Civilian Pay

Military Pay

Commercial &  
Vendor Pay

Accounting  
Services

Travel

SELLS TO

## Customers

US Army

US Air Force

US Navy

US Marine Corps

DoD

***DFAS manages by unit cost and  
bills by rates***



# Performance Contract

- Established by Defense Reform Initiative
- Purpose: Improve efficiencies and decrease costs
- Oversight by Defense Management Council
  - Acts as Board of Directors for Defense Agencies
  - Members include Deputy Secretary of Defense, USDs, VCJCS, Under Secretary of MILDEPs, Vice Chiefs of Services
- Defense Agency Task Force develops contracts and monitors status



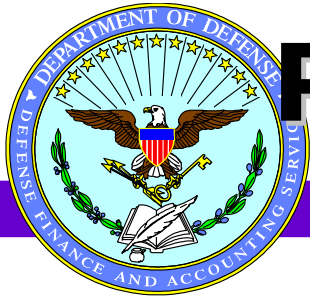
# Performance Contract as a Tool

- Focus the Agency's top management priorities with emphasis on customer service
- Establish similar performance contracts with the Center Directors
- Represent a formal agreement for DFAS to measure performance against a set of clearly defined objectives and cost targets
- Provide senior leaders with visibility into new, different metrics that measure the outcomes or products of functional areas
- Facilitate regularly scheduled reviews and hands-on involvement by senior leaders
- DFAS goals are included in Senior Executives' Performance Appraisals



# Purpose of Performance Measures

- To evaluate performance against accuracy, quality, responsiveness, and timeliness goals
- To monitor progress towards accomplishing the DFAS Mission
- To ensure actions are underway to achieve the DFAS Vision
- To track performance and measure success



# Performance Contract

	FY 1999	FY 2000
<b>Deliverables</b>	<b>Total</b>	<b>Total</b>
Operational	13	27
Cost	9	8
Investment Areas	9	14
Management	6	8
<b>Subtotal</b>	<b>37</b>	<b>57</b>
DFAS Support Actions		31
DoD Component Support Actions		33
<b>Total</b>		<b>121</b>

***Measuring our success and monitoring  
our progress***



# Teamwork

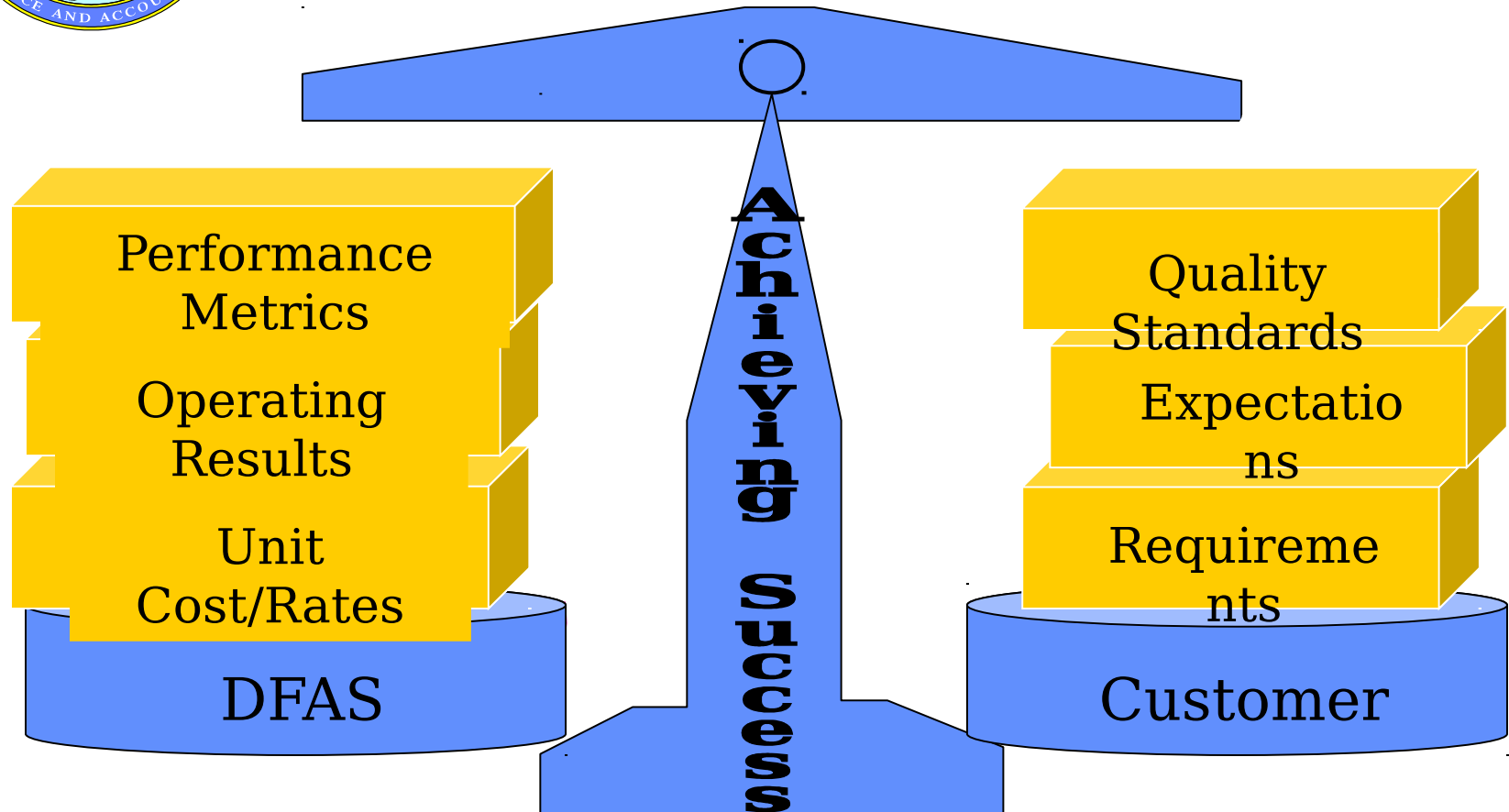
DFAS product and service improvement requires customer commitment:

- To provide accurate and timely documentation
- To make feeder systems compliant
- To increase usage of electronic documentation
- To expand the use of the Government Purchase Card





# DFAS-Customer Relations



***Meeting Customer needs  
through responsive,***